(d) how far the present deadlock is going to prolong the delay in the completion of the project?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRIMATI SUMITRA MAHAJAN): (a) and (b) Revision of cost estimates in oil and gas projects is a normal industry practice as the proejcts progress from the initial exploration phase to the development phase. During this process, costs and schedule get refined, based on factors such as reserve estimates, technological aspects and financial & economic parameters.

ONGC-Videsh Limited (OVL) has informed that in the case of Sakhlain-I Project, the current estimated reserves for oil and gas are higher as compared to the reserves estimated at the time of approval of the project, thus necessitating higher costs which are not final as of today, and also that no feasibility report on Sakhlain-I Project is pending with the Russian Government.

(c) Production of oil from the Sakhlain-I Project is expected to commence by 2005 end.

(d) Does not arise in view of reply to (a) and (b) above.

VRS in IOC

978. DR. AKHILESH DAS: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government have lately approved proposal of IOC to offer voluntary retirement to their surplus staff; and

(b) if so, the extent of surplus staff, category-wise and to what extent the staff has been removed by using the VRS?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRIMATI SUMITRA MAHAJAN): (a) Yes, Sir.

(b) The extent of identified surplus staff, all in the non-officer category, is about 1068, out of which between 700 and 1000 employees are expected to avail the Voluntary Retirement Scheme. The Scheme has been announced with effect from 4.7.2003 and Indian Oil Corporation has started receiving the applications.